

## Message Text

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70

ACTION EUR-12

INFO OCT-01 ISO-00 XMB-02 EB-07 ARA-06 TRSE-00 L-02 SP-02

AID-05 NSC-05 CIEP-01 SS-15 STR-04 OMB-01 CEA-01

COME-00 H-02 /066 W

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R 211129Z MAY 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 1321

INFO USMISSION OECD PARIS

USMISSION EC BRUSSELS

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DEPARTMENT PASS TREASURY AND EXPORT-IMPORT BANK

E.O. 11652: GDS

TAGS: CU, UK, XMB, EFIN

SUBJECT: UK EXPORT CREDIT AGREEMENT WITH CUBA

1. THE UK AND CUBA HAVE SIGNED AN ANGLO-CUBAN COOPERATION AGREEMENT WHICH PROVIDES FOR THE ESTABLISHMENT OF A UK-CUBAN JOINT COMMISSION AND THE EXTENSION OF EXPORT CREDITS VALUED AT 250 MILLION POUNDS. DR. CARLOS RODRIGUEZ, THE CUBAN DEPUTY PRIME MINISTER, IN ANNOUNCING THE AGREEMENT, IS REPORTED TO HAVE STATED THAT GIVEN CUBA'S STATUS AS A DEVELOPING COUNTRY, THE INTEREST RATE ON THE CREDIT WOULD BE LESS THAN 7-1/2 PERCENT.

2. ECGD SOURCE STRONGLY DENIES THAT THE TERMS OF THE CREDIT WILL BE BELOW 7-1/2 PERCENT. SOURCE INDICATED THAT THE AGREEMENT IS NOTHING MORE THAN A "STATEMENT OF INTENT" THAT ECGD WILL EXTEND NORMAL EXPORT CREDIT COVERAGE UP TO A TOTAL VALUE OF 250 MILLION POUNDS IN ACCORDANCE WITH NORMAL ECGD OPERATIONS. THE AGREEMENT, ACCORDING TO SOURCE, DOES NOT CONTAIN ANY MENTION OF INTEREST RATES.

3. PRES REPORTS STATE THAT ABOUT 40 MILLION POUNDS OF THE  
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CREDIT IS ALREADY TIED TO SPECIFIC CONTRACTS, AND IF CUR-

RENT NEGOTIATIONS FOR 3 FERTILIZER CONTRACTS ARE SUCCESS-FULLY COMPLETED, THE TOTAL ACCOUNTED FOR WOULD BE ABOUT 125 MILLION POUNDS. (TOTAL UK-CUBAN TRADE IN 1974 WAS ABOUT 44 MILLION POUNDS WITH A SMALL SURPLUS IN THE UK'S FAVOR.) THE REMAINDER OF THE CREDIT IS EXPECTED TO BE USED OVER THE NEXT TWO YEARS.

RICHARDSON

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, CREDIT, INTERGOVERNMENTAL COOPERATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 MAY 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750179-0161  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 APR 2003  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UK EXPORT CREDIT AGREEMENT WITH CUBA  
**TAGS:** EFIN, CU, UK, XMB  
**To:** STATE  
**Type:** TE  
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